



General Assembly

Amendment

January Session, 2007

LCO No. 8296

HB0605508296HDO

Offered by:

REP. O'CONNOR, 35th Dist.

REP. SCHOFIELD, 16th Dist.

To: Subst. House Bill No. 6055

File No. 772

Cal. No. 224

**"AN ACT EXTENDING HEALTH INSURANCE COVERAGE FOR
DEPENDENT CHILDREN."**

1 Strike out everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 38a-497 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2007*):

5 [Every] Each individual health insurance policy providing coverage
6 of the type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12)
7 of section 38a-469 delivered, issued for delivery, amended or renewed
8 in this state on or after [October 1, 1982] January 1, 2008, shall provide
9 that coverage of a child of the policyholder shall terminate no earlier
10 than the policy anniversary date on or after whichever of the following
11 occurs first, the date on which the child marries [, ceases to be a
12 dependent of the policyholder, attains the age of nineteen if the child is
13 not a full-time student at an accredited institution,] or attains the age of
14 [twenty-three if the child is a full-time student at an accredited

15 institution] twenty-six, provided the child does not have access to
16 employer-sponsored health insurance coverage through his or her own
17 place of employment.

18 Sec. 2. (NEW) (*Effective October 1, 2007*) (a) Each group health
19 insurance policy providing coverage of the type specified in
20 subdivisions (1), (2), (4), (6), (10), (11) and (12) of section 38a-469 of the
21 general statutes delivered, issued for delivery, amended or renewed in
22 this state on or after January 1, 2008, shall provide that coverage of a
23 child of the insured shall terminate no earlier than the date on or after
24 whichever of the following occurs first, the date on which the child
25 marries or attains the age of twenty-six, provided the child does not
26 have access to employer-sponsored health insurance coverage through
27 his or her own place of employment.

28 (b) Each group health insurance policy providing coverage of the
29 type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12) of
30 section 38a-469 of the general statutes delivered, issued for delivery,
31 amended or renewed in this state on or after January 1, 2008, shall
32 provide the option to continue coverage under each of the following
33 circumstances until the individual is eligible for other group insurance,
34 except as provided in subdivisions (3) and (4) of this subsection: (1)
35 Notwithstanding any provision of this section, upon layoff, reduction
36 of hours, leave of absence or termination of employment, other than as
37 a result of death of the employee or as a result of such employee's
38 "gross misconduct" as that term is used in 29 USC 1163(2), continuation
39 of coverage for such employee and such employee's covered
40 dependents for the periods set forth for such event under federal
41 extension requirements established by the federal Consolidated
42 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended
43 from time to time, (COBRA), except that if such reduction of hours,
44 leave of absence or termination of employment results from an
45 employee's eligibility to receive Social Security income, continuation of
46 coverage for such employee and such employee's covered dependents
47 until midnight of the day preceding such person's eligibility for
48 benefits under Title XVIII of the Social Security Act; (2) upon the death

49 of the employee, continuation of coverage for the covered dependents
50 of such employee for the periods set forth for such event under federal
51 extension requirements established by the Consolidated Omnibus
52 Budget Reconciliation Act of 1985 (P.L. 99-272), as amended from time
53 to time, (COBRA); (3) regardless of the employee's or dependent's
54 eligibility for other group insurance, during an employee's absence
55 due to illness or injury, continuation of coverage for such employee
56 and such employee's covered dependents during continuance of such
57 illness or injury or for up to twelve months from the beginning of such
58 absence; (4) regardless of an individual's eligibility for other group
59 insurance, upon termination of the group policy, coverage for covered
60 individuals who were totally disabled on the date of termination shall
61 be continued without premium payment during the continuance of
62 such disability for a period of twelve calendar months following the
63 calendar month in which the policy was terminated, provided claim is
64 submitted for coverage within one year of the termination of the
65 policy; (5) the coverage of any covered individual shall terminate: (A)
66 As to a child, the policy shall provide the option for said child to
67 continue coverage for the longer of the following periods: (i) At the
68 end of the month following the month in which the child marries or
69 attains the age of twenty-six if the child is not offered or provided
70 coverage under a health benefits plan sponsored or arranged by the
71 child's own employer. If on the date specified for termination of
72 coverage on a child of the insured, the child is unmarried and
73 incapable of self-sustaining employment by reason of mental or
74 physical handicap and chiefly dependent upon the employee for
75 support and maintenance, the coverage on such child shall continue
76 while the policy remains in force and the child remains in such
77 condition, provided proof of such handicap is received by the carrier
78 within thirty-one days of the date on which the child's coverage would
79 have terminated in the absence of such incapacity. The carrier may
80 require subsequent proof of the child's continued incapacity and
81 dependency but not more often than once a year thereafter, or (ii) for
82 the periods set forth for such child under federal extension
83 requirements established by the Consolidated Omnibus Budget

84 Reconciliation Act of 1985 (P.L. 99-272), as amended from time to time,
85 (COBRA); (B) as to the employee's spouse, at the end of the month
86 following the month in which a divorce, court-ordered annulment or
87 legal separation is obtained, whichever is earlier, except that the policy
88 shall provide the option for said spouse to continue coverage for the
89 periods set forth for such events under federal extension requirements
90 established by the Consolidated Omnibus Budget Reconciliation Act of
91 1985 (P.L. 99-272), as amended from time to time, (COBRA); and (C) as
92 to the employee or dependent who is sixty-five years of age or older,
93 as of midnight of the day preceding such person's eligibility for
94 benefits under Title XVIII of the federal Social Security Act; (6) as to
95 any other event listed as a "qualifying event" in 29 USC 1163, as
96 amended from time to time, continuation of coverage for such periods
97 set forth for such event in 29 USC 1162, as amended from time to time,
98 provided such policy may require the individual whose coverage is to
99 be continued to pay up to the percentage of the applicable premium as
100 specified for such event in 29 USC 1162, as amended from time to time.
101 Any continuation of coverage required by this section except
102 subdivision (4) or (6) of this subsection may be subject to the
103 requirement, on the part of the individual whose coverage is to be
104 continued, that such individual contribute that portion of the premium
105 the individual would have been required to contribute had the
106 employee remained an active covered employee, except that the
107 individual may be required to pay up to one hundred two per cent of
108 the entire premium at the group rate if coverage is continued in
109 accordance with subdivision (1), (2) or (5) of this subsection. The
110 employer shall not be legally obligated by sections 38a-505, 38a-546
111 and 38a-551 to 38a-559, inclusive, of the general statutes to pay such
112 premium if not paid timely by the employee. The policy shall make
113 available to residents of this state, in addition to any other conversion
114 privilege available, a conversion privilege under which coverage shall
115 be available immediately upon termination of coverage under the
116 group policy. The terms and benefits offered under the conversion
117 benefits shall be at least equal to the terms and benefits of an
118 individual comprehensive health care policy. For the purposes of this

119 subsection, "dependent" means the spouse and children of an eligible
120 employee.

121 Sec. 3. Section 38a-554 of the general statutes is repealed and the
122 following is substituted in lieu thereof (*Effective October 1, 2007*):

123 A group comprehensive health care plan shall contain the minimum
124 standard benefits prescribed in section 38a-553 and shall also conform
125 in substance to the requirements of this section.

126 (a) The plan shall be one under which the individuals eligible to be
127 covered include: (1) Each eligible employee; (2) the spouse of each
128 eligible employee; [, who shall be considered a dependent for the
129 purposes of this section;] and (3) [dependent] unmarried children, [,
130 who are under the age of nineteen or are full-time students under the
131 age of twenty-three at an accredited institution of higher learning] to
132 the same extent as provided in subsection (a) of section 2 of this act.

133 (b) The plan shall provide the option to continue coverage under
134 [each of] the [following] circumstances [until the individual is eligible
135 for other group insurance, except as provided in subdivisions (3) and
136 (4) of this subsection: (1) Notwithstanding any provision of this
137 section, upon layoff, reduction of hours, leave of absence, or
138 termination of employment, other than as a result of death of the
139 employee or as a result of such employee's "gross misconduct" as that
140 term is used in 29 USC 1163(2), continuation of coverage for such
141 employee and such employee's covered dependents for the periods set
142 forth for such event under federal extension requirements established
143 by the federal Consolidated Omnibus Budget Reconciliation Act of
144 1985 (P.L. 99-272), as amended from time to time, (COBRA), except
145 that if such reduction of hours, leave of absence or termination of
146 employment results from an employee's eligibility to receive Social
147 Security income, continuation of coverage for such employee and such
148 employee's covered dependents until midnight of the day preceding
149 such person's eligibility for benefits under Title XVIII of the Social
150 Security Act; (2) upon the death of the employee, continuation of

151 coverage for the covered dependents of such employee for the periods
152 set forth for such event under federal extension requirements
153 established by the Consolidated Omnibus Budget Reconciliation Act of
154 1985 (P.L. 99-272), as amended from time to time, (COBRA); (3)
155 regardless of the employee's or dependent's eligibility for other group
156 insurance, during an employee's absence due to illness or injury,
157 continuation of coverage for such employee and such employee's
158 covered dependents during continuance of such illness or injury or for
159 up to twelve months from the beginning of such absence; (4)
160 regardless of an individual's eligibility for other group insurance, upon
161 termination of the group plan, coverage for covered individuals who
162 were totally disabled on the date of termination shall be continued
163 without premium payment during the continuance of such disability
164 for a period of twelve calendar months following the calendar month
165 in which the plan was terminated, provided claim is submitted for
166 coverage within one year of the termination of the plan; (5) the
167 coverage of any covered individual shall terminate: (A) As to a child,
168 the plan shall provide the option for said child to continue coverage for
169 the longer of the following periods: (i) At the end of the month
170 following the month in which the child marries, ceases to be
171 dependent on the employee or attains the age of nineteen, whichever
172 occurs first, except that if the child is a full-time student at an
173 accredited institution, the coverage may be continued while the child
174 remains unmarried and a full-time student, but not beyond the month
175 following the month in which the child attains the age of twenty-three.
176 If on the date specified for termination of coverage on a dependent
177 child, the child is unmarried and incapable of self-sustaining
178 employment by reason of mental or physical handicap and chiefly
179 dependent upon the employee for support and maintenance, the
180 coverage on such child shall continue while the plan remains in force
181 and the child remains in such condition, provided proof of such
182 handicap is received by the carrier within thirty-one days of the date
183 on which the child's coverage would have terminated in the absence of
184 such incapacity. The carrier may require subsequent proof of the
185 child's continued incapacity and dependency but not more often than

186 once a year thereafter, or (ii) for the periods set forth for such child
187 under federal extension requirements established by the Consolidated
188 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended
189 from time to time, (COBRA); (B) as to the employee's spouse, at the
190 end of the month following the month in which a divorce, court-
191 ordered annulment or legal separation is obtained, whichever is
192 earlier, except that the plan shall provide the option for said spouse to
193 continue coverage for the periods set forth for such events under
194 federal extension requirements established by the Consolidated
195 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended
196 from time to time, (COBRA); and (C) as to the employee or dependent
197 who is sixty-five years of age or older, as of midnight of the day
198 preceding such person's eligibility for benefits under Title XVIII of the
199 federal Social Security Act; (6) as to any other event listed as a
200 "qualifying event" in 29 USC 1163, as amended from time to time,
201 continuation of coverage for such periods set forth for such event in 29
202 USC 1162, as amended from time to time, provided such plan may
203 require the individual whose coverage is to be continued to pay up to
204 the percentage of the applicable premium as specified for such event in
205 29 USC 1162, as amended from time to time. Any continuation of
206 coverage required by this section except subdivision (4) or (6) of this
207 subsection may be subject to the requirement, on the part of the
208 individual whose coverage is to be continued, that such individual
209 contribute that portion of the premium the individual would have
210 been required to contribute had the employee remained an active
211 covered employee, except that the individual may be required to pay
212 up to one hundred two per cent of the entire premium at the group
213 rate if coverage is continued in accordance with subdivision (1), (2) or
214 (5) of this subsection. The employer shall not be legally obligated by
215 sections 38a-505, 38a-546 and 38a-551 to 38a-559, inclusive, to pay such
216 premium if not paid timely by the employee] specified in subsection
217 (b) of section 2 of this act.

218 (c) The commissioner shall adopt regulations, in accordance with
219 chapter 54, concerning coordination of benefits between the plan and

220 other health insurance plans.

221 (d) The plan shall make available to Connecticut residents, in
222 addition to any other conversion privilege available, a conversion
223 privilege [under which coverage shall be available immediately upon
224 termination of coverage under the group plan. The terms and benefits
225 offered under the conversion benefits shall be at least equal to the
226 terms and benefits of an individual comprehensive health care plan] as
227 provided under subsection (b) of section 2 of this act.

228 Sec. 4. Section 38a-482 of the general statutes is repealed and the
229 following is substituted in lieu thereof (*Effective October 1, 2007*):

230 No individual health insurance policy shall be delivered or issued
231 for delivery to any person in this state unless: (1) The entire money and
232 other considerations therefor are expressed therein; (2) the time at
233 which the insurance takes effect and terminates is expressed therein;
234 (3) such policy purports to insure only one person, except that a policy
235 may insure, originally or by subsequent amendment, upon the
236 application of an adult member of a family, who shall be deemed the
237 policyholder, any two or more eligible members of such family,
238 including husband, wife, dependent children or any children [under a
239 specified age, which shall not exceed eighteen years] as specified in
240 section 38a-497, as amended by this act, and any other person
241 dependent upon the policyholder; (4) the style, arrangement and
242 overall appearance of the policy give no undue prominence to any
243 portion of the text, and every printed portion of the text of the policy
244 and of any endorsements or attached papers is plainly printed in light-
245 faced type of a style in general use, the size of which shall be uniform
246 and not less than ten-point with a lowercase unspaced alphabet length
247 not less than one hundred and twenty-point, the word "text" as herein
248 used including all printed matter except the name and address of the
249 insurer, name or title of the policy, the brief description, if any, and
250 captions and subcaptions; (5) the exceptions and reductions of
251 indemnity are set forth in the policy and, except as provided in section
252 38a-483, are printed, at the insurer's option, either included with the

253 benefit provision to which they apply, or under an appropriate caption
254 such as "EXCEPTIONS" or "EXCEPTIONS AND REDUCTIONS",
255 provided, if an exception or reduction specifically applies only to a
256 particular benefit of the policy, a statement of such exception or
257 reduction shall be included with the benefit provision to which it
258 applies; (6) each such form, including riders and endorsements, shall
259 be identified by a form number in the lower left-hand corner of the
260 first page thereof; and (7) such policy contains no provision purporting
261 to make any portion of the charter, rules, constitution or bylaws of the
262 insurer a part of the policy unless such portion is set forth in full in the
263 policy, except in the case of the incorporation of, or reference to, a
264 statement of rates or classification of risks, or short-rate table filed with
265 the commissioner."